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Acquisition

END-USE CERTIFICATES

COMPLIANCE WITH THIS PUBLICATION IS MANDATORY

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This instruction implements AFPD 63-1, *Acquisition System*. It outlines the procedures for securing approvals for End-Use Certificates. It applies to all personnel who purchase, use, and dispose of restricted items from a foreign vendor. For a full understanding of End-Use Certificates (EUC), refer to the Department of Defense (DoD) Directive 2040.3, *End Use Certificates (EUCs)*, November 14, 1991. See **Attachment 1** for terms used in this instruction.

1. Responsibilities:

1.1. Secretary of the Air Force (SECAF). The SECAF, or a delegated civilian officer, appointed by the President with the advice and consent of the Senate, may authorize Category I and II EUCs. To purchase an item with a Category III EUC, the SECAF or the SECAF representative must request authority from the Under Secretary of Defense for Acquisition and Technology (USD[A&T]) (see **Attachment 2** through 5).

1.2. Assistant Secretary of the Air Force for Acquisition (SAF/AQ). The SECAF may delegate authority over Category I and II EUCs to SAF/AQ.

1.3. Air Force Program Executive Officer (AFPEO) and Designated Acquisition Commander (DAC). AFPEOs and DACs must submit requirements for items with EUCs for SAF/AQ approval.

1.4. Mission Area Directors (MAD). MADs must apply for permission from SAF/AQ to purchase items restricted by EUCs.

1.5. System Program Director (SPD). SPDs must justify each purchase and notify AFPEOs or DACs in writing when considering purchasing an item with an EUC.

1.6. Engineering Development and Test Center Commanders. Commanders must justify each purchase and notify the (HQ USAF/TE) in writing when considering purchasing an item with an EUC.

1.7. Director of Air Force Test and Evaluation (HQ USAF/TE). HQ USAF/TE must review established Air Force policy before requesting EUC approval from SAF/AQ.

2. Procedures. SAF/AQ must follow the established regulations for purchase of foreign items before granting approval.

2.1. Category I EUC:

2.1.1. SPDs or center commanders notify the AFPEO, DAC or HQ USAF/TE when requesting permission to purchase an item requiring an EUC. They supply the item's name, nomenclature, and purpose; justification of need; and any other purchasing options.

2.1.1.1. The AFPEO/DAC or HQ USAF/TE notifies SAF/AQ of the EUC requirement.

2.1.2. SAF/AQ requests a coordinated Air Force position from a MAD before approving or disapproving purchase of an item requiring an EUC.

2.1.2.1. For EUCs originating in development and test centers, the HQ USAF/TE reviews the requirement before seeking SAF/AQ approval.

2.1.3. Upon EUC approval, SAF/AQ grants signature authority to the AFPEO, DAC or HQ USAF/TE. If disapproved, SAF/AQ notifies the AFPEO/DAC or HQ USAF/TE who then notifies the SPD or center commander.

2.2. Category II EUC. SAF/AQ must notify USD(A&T) before purchasing an item with a Category II EUC.

2.2.1. SPDs or center commanders notify the AFPEO, DAC or HQ USAF/TE when requesting permission to purchase an item requiring an EUC. They supply the item's name, nomenclature, and purpose; justification of need; and any other purchasing options. The AFPEO/DAC or HQ USAF/TE then notifies SAF/AQ.

2.2.2. SAF/AQ requests a coordinated Air Force position from a MAD before approving or disapproving purchase of an item requiring an EUC. For EUCs originating in development and test Centers, the HQ USAF/TE reviews the requirement before seeking SAF/AQ approval. If SAF/AQ approves, then he or she must send notification to the USD(A&T) **at least 21 calendar days** before giving authorization.

2.2.2.1. Notification to USD(A&T) must include a description of the recommended item and all limitations imposed on it by the exporting government.

2.2.2.2. SAF/AQ may assume that USD(A&T) concurs with the purchase if they don't receive a response by the end of the 21-day period.

2.2.3. If USD(A&T) concurs with the Category II EUC, then SAF/AQ delegates signature authority to the AFPEO/DAC or HQ USAF/TE. If SAF/AQ or USD(A&T) disapproves, SAF/AQ notifies the AFPEO/DAC or HQ USAF/TE, who then notifies the SPD or the center commander.

2.3. Category III EUC. The USD(A&T) must grant a waiver for items that require Category III EUCs.

2.3.1. SPDs or center commanders notify the AFPEO, DAC or HQ USAF/TE when requesting permission to purchase an item requiring an EUC. They supply the item's name, nomenclature,

and purpose; justification of need; and any other purchasing options that could be considered. To justify a waiver, the SPD or center commander must specify:

- 2.3.1.1. The reasons the US Government would benefit from purchasing the foreign item.
- 2.3.1.2. The limitations imposed by the exporting government and their justification.
- 2.3.1.3. The cost, schedule, or operational requirements that couldn't be filled by any satisfactory alternative, either domestic or foreign.

2.3.2. SAF/AQ requests a coordinated Air Force position from a MAD before approving or disapproving purchase of an item requiring an EUC. For EUCs originating in development and test centers, the HQ USAF/TE reviews the requirement before seeking SAF/AQ approval. SAF/AQ asks for policy waivers from USD(A&T).

2.3.3. If USD(A&T) grants a policy waiver, then SAF/AQ delegates signature authority to the AFPEO, DAC or HQ USAF/TE.

2.4. The AFPEO, DAC, or HQ USAF/TE signatory must sign two original EUCs and give both to SAF/AQ.

2.4.1. The SAF/AQ designated office:

- 2.4.1.1. Transmits the two signed originals to be signed by personnel representing the foreign government. The foreign government keeps one original and returns the second to SAF/AQ.
- 2.4.1.2. Sends copies of the form to the AFPEO, DAC or HQ USAF/TE, and USD(A&T).
- 2.4.1.3. Notifies major command (MAJCOM) headquarters of the EUC approval and explains any restrictions on the use, transfer, or disposal of the item's hardware, technology, and associated technical data. Command Headquarters must notify users of the EUC restrictions.

2.5. MAJCOM headquarters must ensure Air Force compliance with EUC restrictions and advise SAF/AQ of any proposal that would require a waiver of EUC restrictions.

2.5.1. Upon receiving a proposal to waive the EUC restrictions, the SAF/AQ designated office must immediately request permission from the originating foreign government to do so. The SAF/AQ designated office must then advise MAJCOM Headquarters, SAF/AQ, and USD(A&T) of the foreign government's response.

2.6. MAJCOMS develop procedures for identifying, cataloging, controlling, and disposing of items with EUCs.

RICHARD E. HAWLEY, Lt General, USAF
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Air Force for Acquisition

Attachment 1

GLOSSARY OF TERMS

Terms

End-Use Certificate (EUC)—A written agreement that restricts the use or limits transfer of an item of military equipment or technical data by the United States to a third party.

Defense Purposes—Direct use or transfer of an item by or for the United States DoD with support from grant aid, International Military Education and Training (IMET) programs, Foreign Military Sales (FMS), and other security assistance and armaments cooperation authorities.

Category I EUC—An EUC for items acquired by the US Air Force that:

- Are classified, for security purposes, by a foreign government.
- Are covered under nonproliferation agreements such as those pertaining to missile technology.
- May be used for "defense purposes."

Category II EUC—An EUC that is purchased in the national interest but that doesn't fall under the guidelines for categories I or III. Negotiations for these items should have minimal restrictions as their goal.

Category III EUC—An EUC that limits the right of the United States:

- To use an item in any part of the world.
- To transfer the item to allies in armed conflict.

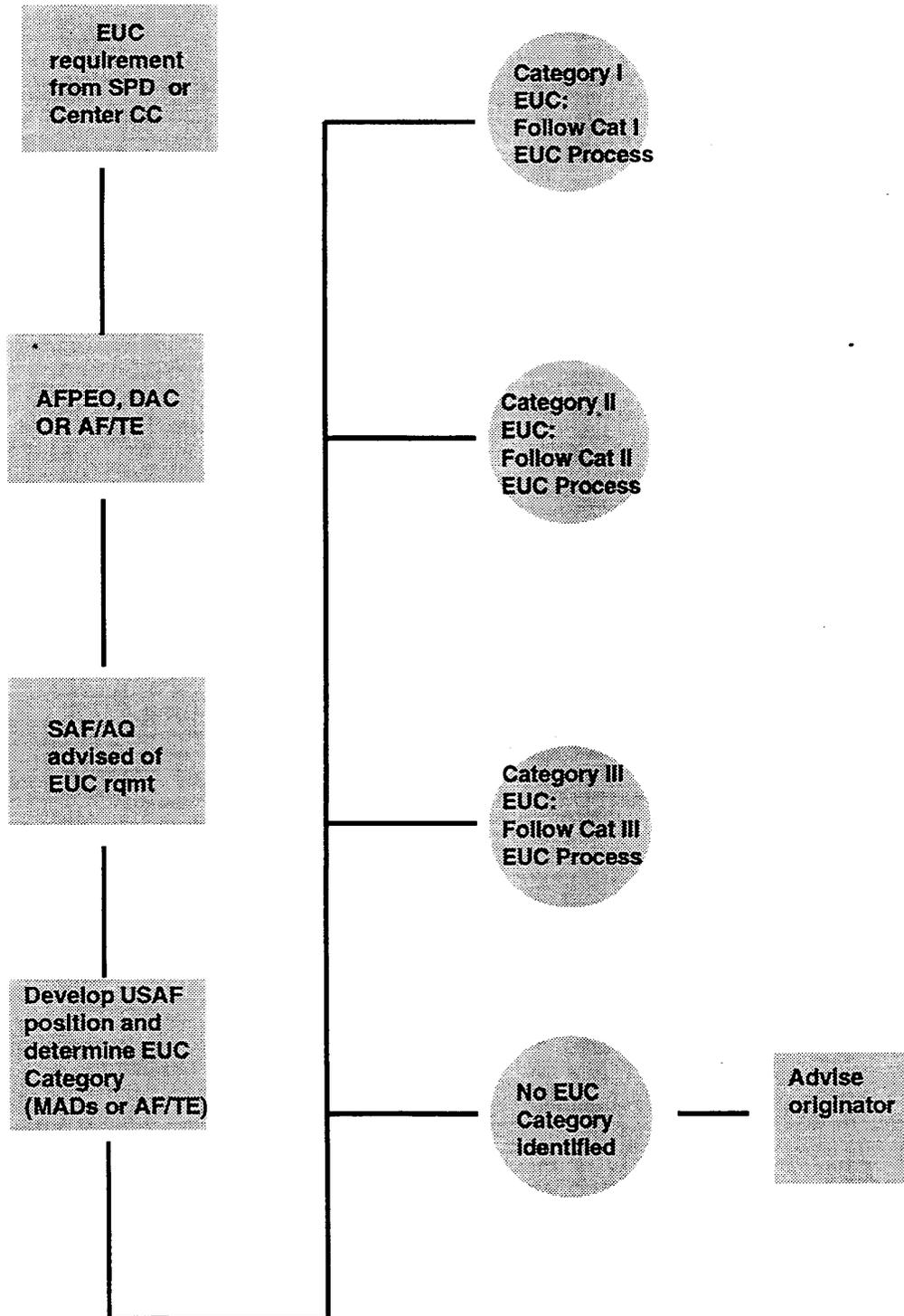
Waiver—A release, granted by the USD(A&T), from the policy that prohibits the purchase of a foreign item with end-use restrictions.

Execution Authority—The SECAF, or the delegated civilian representative, who weighs the restrictions and prohibitions associated with a foreign item and decides whether to purchase it. *Note: The SECAF may authorize execution only of Category I and II EUCs.*

EUC Signature Authority—The official delegated by the Air Force execution authority to sign EUCs.

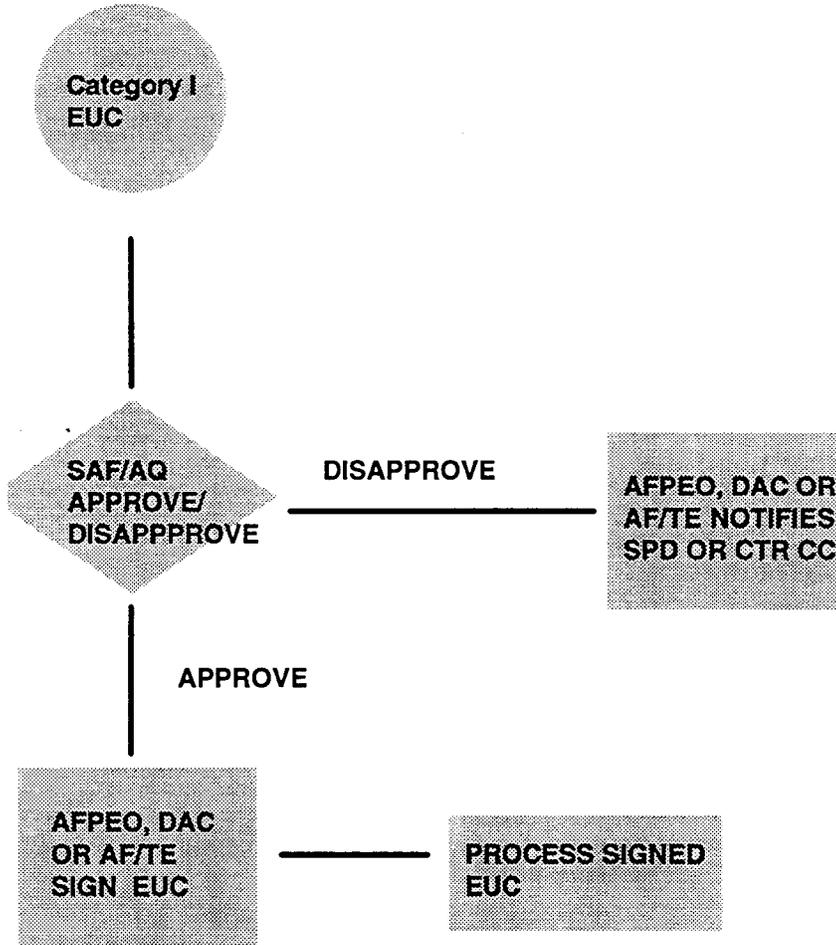
Attachment 2

END-USE CERTIFICATE PROCESS FLOWCHART



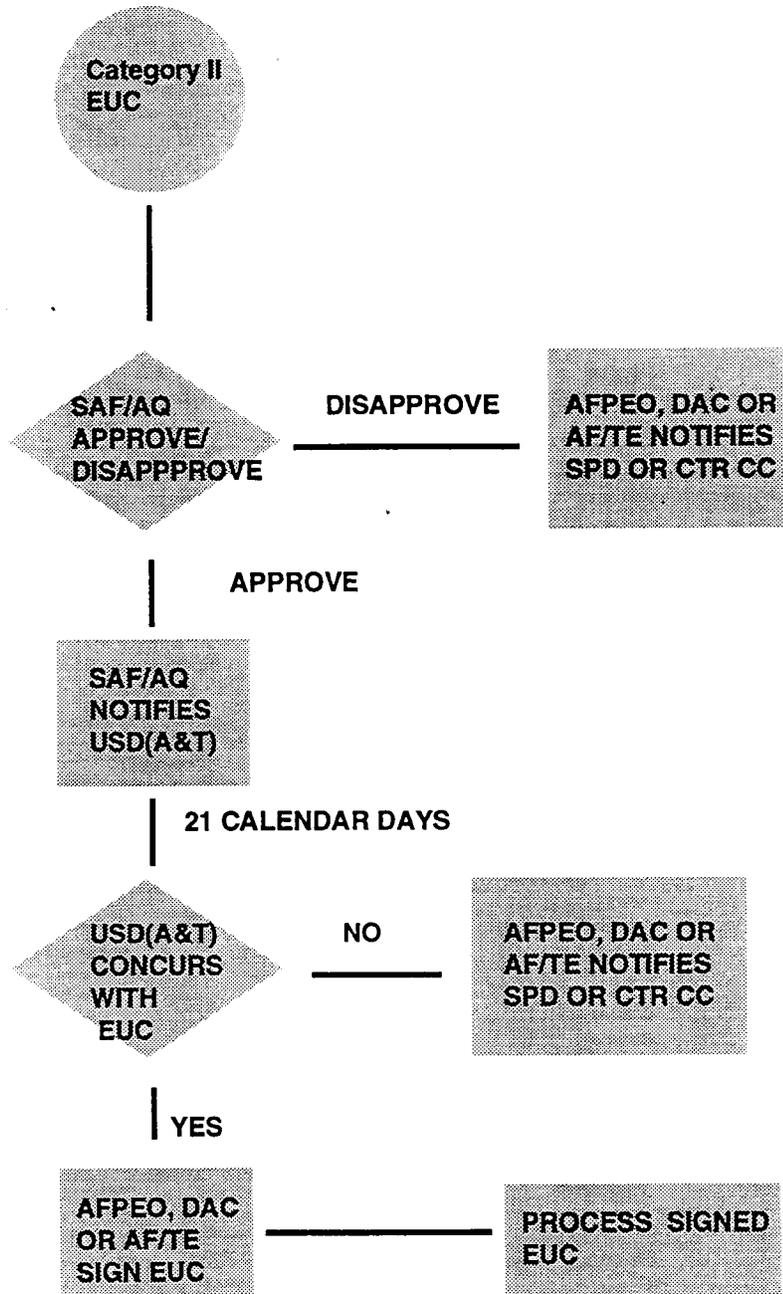
Attachment 3

CATEGORY I END USE CERTIFICATE PROCESS FLOWCHART



Attachment 4

CATEGORY II END USE CERTIFICATE PROCESS FLOWCHART



Attachment 5

CATEGORY III END USE CERTIFICATE PROCESS FLOWCHART

